

or elsewhere, and all rights incident thereto, including but not being limited to the franchises, privileges, permits, grants, leases and consents more particularly described in Schedule IV hereto annexed and hereby made a part hereof, and (c) all buildings, structures, leaders, rivet crossings, equipment, machinery, appliances, materials, merchandise, equipment, supplies, electric power lines, other tangible property and appurtenances of every kind whatsoever forming a part of said pipe line properties or used or intended for installation or use in connection therewith, including, but not being limited to, all pipe, fittings, valves, connections, cuttings, or other protection supplied, by jacks, rigging, derricks, cranes, hoists, derrick platforms, including, but not limited to, the following described pipe line:

#### THE PIPE LINE

A pipe line system constructed or to be constructed as follows:

A. A ten, eight and six inch main pipe line system comprising a main pipe line beginning in Gaines County, Texas, approximately 11 miles northeast of Hobbs, New Mexico, extending to a point 2.5 miles west of Conway, McPherson County, Kansas; and a branch main pipe line extending from Conway, Kansas, northeasterly and ending near Pine Bend, Minnesota, and a branch main pipe line extending from Conway, Kansas, east to Moberly, Missouri, then northeasterly and ending near Jefferson Junction, Wisconsin; and said main pipe line system being approximately 1,711 miles in length and being more particularly described in Part One of Schedule I hereto annexed and hereby made a part hereof; and

B. An eight, six, four and three inch gathering pipe line system approximately 240 miles in length, beginning in Gaines County, Texas, approximately 11 miles northeast of Hobbs, New Mexico, and extending into the Permian Basin in West Texas and Southeast New Mexico; and a portion of said gathering pipe line system being more particularly described in Part Two of Schedule I hereto annexed and hereby made a part hereof.

#### 2. FEES

All trade or parcels of land now owned or (subject to the provisions of Article 14) hereafter acquired by the Company, whereever situated, together with all buildings, installations, machinery, pipe lines, pumping stations, compressors, equipment and appliances situated thereon and in the neighborhood of such buildings, installations and appurtenances of every kind or nature whatsoever used or for use as a

part of such properties, including but not being limited to the tracks or parcels of land, located in the States of New Mexico, Texas, Oklahoma, Kansas, Nebraska, Iowa, Minnesota, Missouri, Illinois and Wisconsin, described in Schedule II hereto annexed and hereby made a part hereof.

#### 3. RIGHTS-OF-WAY

All of the surface leases, surface rights-of-way, servitudes, easements and grants now owned or (subject to the provisions of Article 14) hereafter acquired by the Company, whereever situated, upon which a portion of the Company's pipe lines have been or are to be constructed or installed, including but not limited to the surface leases, surface rights-of-way, servitudes, easements and grants described in Schedules III and IV hereto annexed and hereby made a part hereof, granted to the Company by the grantors named in said Schedules on the dates specified in said Schedules and filed for record or recorded, or otherwise acquired by the Company, all as set forth in said Schedules.

#### 4. COMMUNICATION SYSTEMS

All communication systems, together with easements and rights-of-way for constructing, maintaining, replacing and operating the same, including all structures, poles, wires, tools and appliances and other property used in connection therewith.

#### 5. ELECTRIC POWER LINES

All electric power lines, together with easements and rights-of-way for constructing, maintaining, replacing and operating the same, including all structures, poles, wires, tools and appliances and other property used in connection therewith.

#### SECOND.

##### ASSIGNMENTS.

All right, title and interest of the Company under, in and to the letters of intent described in Schedule VI hereto annexed and hereby made a part hereof (copies of which have been lodged with the Trustee concurrently with the execution hereof), and all the covenants, conditions, agreements or contracts relating to the said letters of intent, for a period of at least a year, of providing for the construction of the Company's pipe line system, the same may hereafter be entered into by the Company, and assigned to the Trustee, for the security of the Bonds, to the extent set forth in any such assignment.